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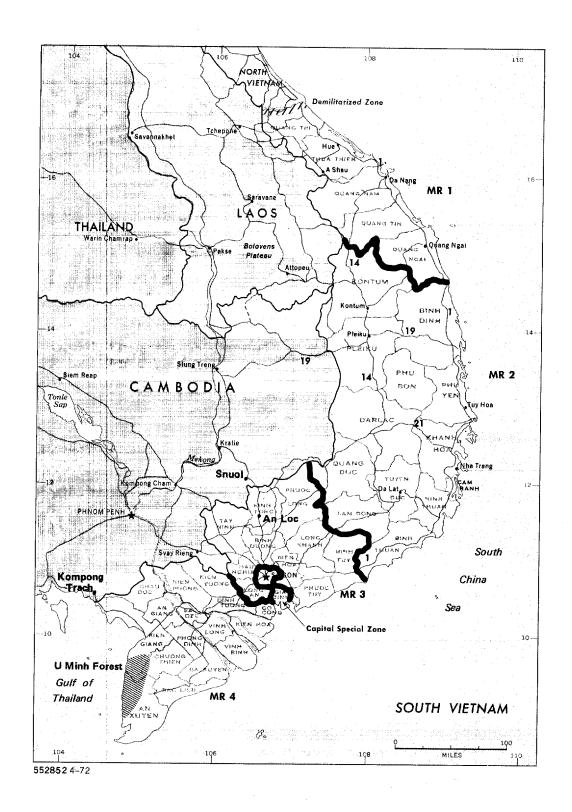
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SOUTH VIETNAM: The Communists are continuing to put heavy pressure on the South Vietnamese forces defending An Loc.

Communist forces at the southern end of the provincial capital are bringing numerous tracked vehicles and trucks close to the city. After three hours of heavy contact, South Vietnamese forces defending the southwestern edge of the town fell back and set up a new defensive perimeter. There are some as yet unconfirmed press reports, however, that government forces within the town have been doing fairly well and have recaptured many city blocks from the enemy.

So far, more than two South Vietnamese battalions have been airlifted into the city to assist in its defense. Concentrated bombing of enemy positions around the city has inflicted heavy losses and has accounted for some of the enemy's tank losses there. The relief column that had been trying to reach An Loc appears to be digging in well south of the city. The airborne brigade that has been spearheading this column is to be airlifted into An Loc, while the 21st ARVN Division, which makes up the balance of this relief force, will stay to the south.

The recent appearance of substantial numbers of enemy tanks and the convergence of over two enemy divisions make it clear that the Communists plan to make the battle for An Loc one of the major engagements of the current offensive. They appear to be accepting a showdown battle in the hope of inflicting such heavy punishment on the South Vietnamese forces that the morale of ARVN troops throughout the country will be badly shaken and the Saigon regime faced with serious recrimination and dissension in the aftermath.

The uninspired performance so far of the 21st ARVN Division and the airborne brigade leading the relief column suggests it may have great difficulty

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extricating itself from the area without taking very heavy losses. Last year, the Communists made good use of locally superior numbers, supported by tanks, to harass South Vietnamese columns moving into southern Laos against enemy supply routes. Communist forces also inflicted heavy punishment on South Vietnamese units at Snuol last year and hope for a repeat performance. Allied air power may help to even the odds somewhat. The enemy is not as strong in Binh Long as he was in his own base areas across the border, but it is virtually certain that the Communist High Command has ordered its units along Route 13 to do their best to destroy the South Vietnamese units in the area.

The enemy is also keeping the pressure on in the delta. Operating out of the U Minh Forest, Communist units have reportedly overrun 20 of 24 outposts in one district of Chuong Thien Province, and heavy attacks are expected shortly against the capital of Kien Hoa Province and in Dinh Tuong Province. The withdrawal of the 21st ARVN Division from MR-4 to help at An Loc is clearly encouraging the enemy in the delta to adopt more aggressive tactics.

torces throughout the delta have been ordered to become much more active in support of the larger Communist units.

enemy local

Enemy forces are not concentrated in such heavy numbers in the delta as they are around An Loc; they nevertheless appear intent on imposing heavy losses on government regular and territorial security forces in order to put the latter on the defensive. The Communists want to open up the countryside for more operations by enemy combat units and political cadre.

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USSR-VIETNAM: The Soviets have increased their propaganda support for the North Vietnamese, but this treatment still falls short of Moscow's output during previous offensives.

In the last three days, Soviet party leader Brezhnev, Premier Kosygin, and Defense Minister Grechko all have met with the North Vietnamese ambassador in Moscow. All three Soviet leaders expressed support for the Vietnamese Communists. Brezhnev and Kosygin went beyond the previous Soviet condemnation of US bombing and demanded its "immediate" cessation. Kosygin also urged that the US "seriously return to the Paris talks." The meetings with Hanoi's envoy, taking place in the midst of an offensive, are themselves unusual gestures on Moscow's part. Moreover, in contrast to Kosygin's "frank" meeting with the North Vietnamese in February, all were characterized as having taken place in a "friendly" or "cordial" atmosphere.

Soviet concern for US sensibilities in the period prior to President Nixon's visit was evident, however, in the leadership's reluctance to say anything publicly about the fighting in South Vietnam or about Hanoi's recent request for "even stronger support" from its allies. The Soviet press replayed the North Vietnamese Government statement that was issued on 11 April but deleted from it Hanoi's request for "stronger assistance."

Nonetheless, the Soviets have geared up their domestic propaganda apparatus in support of North Vietnam. Radio Moscow announced on 13 April that "massive rallies" had been held in "Moscow, Kiev, Minsk, and tens of other Soviet cities" to condemn the "current expansion of American aggression in Vietnam." This kind of agitation, however, falls considerably short of the strong, authoritative condemnation for which Hanoi publicly has appealed. It seems intended to serve, at least temporarily, as a substitute for more direct, official Soviet criticism of US actions.

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PAKISTAN: President Bhutto has offered to end martial law on 21 April rather than 14 August if the National Assembly approves his interim constitution.

He also told the assembly last night that parties controlling a majority in local assemblies will be allowed to form provincial governments in contrast to present practice wherein the governor, appointed by the president, is the final authority. He also promised that parties other than his own will be represented in the central cabinet.

Bhutto has thus met the most important public demands of National Awami Party leader Wali Khan. He may hope to make further opposition by Wali appear petty even though the basic issues, the most important of which is the specific relationship between the central and provincial governments, have not yet been decided.

Bhutto may also be seeking to overcome any significant negative reaction to his program in the assembly. The interim constitution has been sharply criticized by some opposition leaders, and there have been rumors that part of his own party might vote against Bhutto on martial law. Bhutto may have calculated that, even though he had the votes in the assembly to carry his programs, the spectacle of significant opposition to them would have weakened his position in negotiating with India and made it more difficult for him to implement his domestic policies.

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WEST GERMANY: Christian Democratic Chairman Barzel has reaffirmed his opposition to the ratification of the Eastern treaties following his meeting with Chancellor Brandt on 12 April.

In a statement issued after the meeting, Barzel asserted that recent Communist concessions and clarifications still do not meet the demands of the Christian Democratic Union and Christian Social Union. He repeated his earlier call for Brandt to suspend ratification and seek renegotiation with Moscow, arguing that more improvements, particularly regarding "freedom of movement" between the two Germanies, could be elicited. Brandt and Moscow have consistently rejected this call.

Barzel was not swayed by North Rhine - Westphalia Minister-President Kuehn's report of his conversation with Brezhnev on 11 April. Nevertheless, no major concessions apparently were granted, and Barzel complained that Kuehn had returned only with clarifications and interpretations of "doubtful and shortlived" validity. Barzel did not deny that Germany's allies favor ratification but claimed that non-ratification would not lead "to isolation or disaster." He also speculated that, if the treaties were defeated, Moscow would still allow the Four Power Berlin Accord to take effect in order to open the way for a Conference on Security and Cooperation in Europe.

Barzel's statement appears to close off widespread international speculation that a sufficient
number of opposition Bundestag members ultimately
will vote for the treaties to ensure ratification.
Although Barzel will allow his 246 deputies freedom
to vote their conscience when the treaties come up
for the first vote on 4 or 5 May, his latest statement was adopted unanimously by the opposition parliamentary group. If Brandt is correct in believing
that some opposition deputies fear the consequences
of non-ratification, these deputies may decide to
be absent from the vote in May.

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JORDAN-SYRIA: Damascus, without publicity, has gradually removed most of the barriers that have prevented Jordanian goods from transiting Syrian territory since last July.

Following the official decision last month to allow Jordanian phosphates to transit Syria, Damascus now is permitting Jordan's major export products—fruits and vegetables—to enter Syria on Jordanian trucks, which then are allowed to carry goods back into Jordan. According to Jordanian officials, merchandise from Lebanon also is being permitted to transit Syria into Jordan.

Jordan was more seriously affected by the restrictions on trade with or through Syria than by the cutoff of commercial dealings that Egypt announced last week. More than half of Amman's foreign trade is with or transits Syria, whereas less than ten percent of Jordan's foreign commerce is conducted with Cairo.

Syria's relaxation of its border restrictions may be explained by the fact that Damascus is less directly affected than is Cairo by Libyan and fedayeen pressures to take sanctions against King Husayn. By acting unofficially and without publicity, the Syrians since last fall have been able to take slow and deliberate steps to ease the effect of their formal ban on Jordanian commercial traffic, from which they also derive some economic benefits.

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LEBANON: In the first round of the parliamentary elections that will begin Sunday, few new faces will appear, and most of them will be as conservative as their predecessors.

Elections will be held tomorrow in Beirut and north Lebanon, followed on the next two Sundays by balloting in the other sections of the country. This procedure permits the security forces to concentrate on one area at a time in holding down the violence that usually occurs in Lebanese elections. Most of the successful candidates will be the conservative regional and clan leaders who personally draw up the electoral slates. The only place where a leftist candidate has a good chance of winning in the first round is in the northern city of Tripoli where Communism and Baathism have considerable appeal among the predominantly Sunni Muslim population. The front-runner among leftists in Tripoli is a pro-Iraqi Baathist, who will benefit as much from family influence and personal popularity as from ideological appeal.

Lebanese voters generally follow religious and family lines at the ballot box. Throughout the country, therefore, the majority of candidates that will be returned will be the traditional leaders who have always dominated local politics and band together in parliament to maintain the status quo. The inability of younger reform-minded "radicals" to break into this exclusive club and form an effective parliamentary bloc has deepened their disillusionment with the existing system and its inability to tackle economic and social problems.

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URUGUAY: President Bordaberry is using yester-day's killing of four men by terrorists, apparently Tupamaros, to bolster his requests for broad security legislation.

Bordaberry has been attempting to secure congressional sanction of a strong new national security law to replace the present emergency measures which are due to be lifted on 30 April. The most important provision of the proposed law, giving the military extensive authority to deal with terrorism, has met considerable opposition from legislators who claim these sections are unconstitutional.

In the wake of yesterday's violence, the president has decided to ask Congress to permit the lifting of constitutional guarantees and to give immediate approval to the proposed national security law. He has also ordered security forces to ensure the continued captivity of the approximately loo suspected terrorists now in custody. A press report indicates that the defense minister, General Magnini, has said that the armed forces now demand the adoption of stringent measures to deal with terrorism. Bordaberry reportedly has also received support for his security proposals from some key politicians, including two of the opposition Blanco Party men he defeated for the presidency last year.

In a nationwide radio and television address, Bordaberry condemned the terrorists and said that their attempts to force the government to abandon the constitutional path would not succeed.

The death toll on the government side includes two policemen, a naval officer, and a man who served as undersecretary of the interior in the previous administration. The government has claimed that joint operations by military and police units caused the deaths of at least eight Tupamaros, including an important leader, and the capture of many more. The security forces will continue their drive against the terrorists.

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MEXICO: A large protest demonstration by students, peasants, and workers in the capital today will be a severe test of the government's willingness to allow dissent.

The government has put the military in Mexico City on full alert in expectation of possible trouble. Upwards of 50,000 demonstrators are expected at the rally that began earlier this week as a protest march by peasants from rural areas near Mexico City. Most of these marchers were halted peacefully short of the capital by government officials, who persuaded them to turn back. A splinter group, headed by a local Communist party agrarian leader, continued on, however, and its numbers have grown with the addition of students and workers from Mexico City.

The peasants and workers are protesting government agrarian and labor policies, and the students, whose addition in large numbers will add a volatile dimension to the protest, are promoting their causes, particularly support for striking

the local Communist party is supporting today's demonstration and is trying to take control of the protest. The party has arranged for demonstrators to be brought into the capital from several areas of the country. Dissident leftist union leaders and their followers are also participating in the rally.

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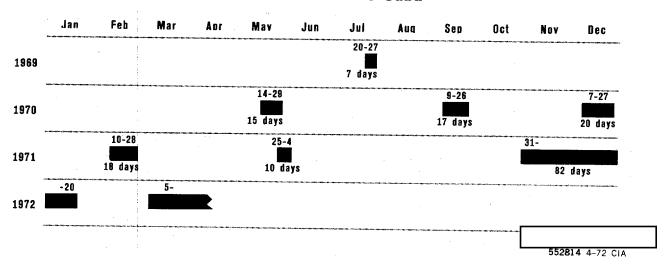
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Soviet Naval Visits to Cuba



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Two Soviet naval combatants that USSR-CUBA: have been in Cienfuegos since 5 March moved to Havana on 14 April. During the nearly six-week port call at Cienfuegos, the Kotlin-class destroyer and the F-class submarine made several out-of-port sor-If the ships ties to operate with Cuban ships. follow the pattern of previous visits to Havana, they also will conduct joint naval operations in This deployment is the longest the Gulf of Mexico. visit of Soviet combatants to Caribbean waters, except for a call at Havana that began on 31 October 1971 and lasted 12 weeks, due in part to repairs required by another F-class submarine.

ISRAEL-JORDAN: The recent municipal elections in the northern part of the occupied West Bank left essentially unchanged the relative influence of the Israelis and the Jordanian Government on the local Israeli officials claimed that the mere population. holding of elections was an endorsement of their occupation policies, but Tel Aviv at the last moment had to threaten local Palestinian officials with sanctions against their communities if the voters did not turn out. The Jordanian Government, after first trying to torpedo the elections, tacitly admitted its inability to control their outcome. Bank residents themselves initially protested the elections but ultimately accepted them and voted for The souththeir traditional conservative leaders. ern portion of the West Bank is scheduled to hold its municipal elections on 2 May, and the outcome is likely to parallel the results in the north.

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The trade surplus of \$1.8 billion for the first quarter of this year represents an increase of 62 percent over the same period last year and indicates that the revaluation of the yen has not yet had an impact on Japan's foreign trade. The surplus was partially offset by larger deficits in the capital accounts that resulted from government curbs on advance payments for exports and increases in its purchases of medium- and long-term foreign securi-The continued strong performance of the Japanese export sector, however, may increase the belief among various foreign and domestic businessmen that the yen remains undervalued. Given the trend in the trade balance, official holdings of reserves, which now stand at \$16.7 billion, could easily approach \$20 billion by the end of the year.

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